

an advisory committee, consisting of the chief medical officer of the Ministry of Health, two other medical officers of the Ministry, and three doctors selected from the panel of insurance doctors nominated by the British Medical Association to which reference has already been made, and shall consider their report on the case. Our imaginary case, which we have now traced to its final stage, would be so referred, and from what has happened in similar cases that have actually occurred it is unlikely that the decision of the Medical Service Subcommittee would be modified.

THE WITHHOLDING OF REMUNERATION

It will be noted that in this case the Insurance Committee, adopting the report of their Medical Service Subcommittee, recommended, with the concurrence of the appeal tribunal, that a sum of twenty pounds should be withheld from Doctor Smith's remuneration. In a case in which money is withheld, the Minister deducts the sum from the moneys paid by him to the Insurance Committee for providing medical services, and the committee deduct that sum from the next payment made to the doctor. During 1933, remuneration was withheld from eight insurance doctors who had been negligent in the treatment of their insured patients.

REMOVAL FROM THE PANEL

The most severe action that can be taken against an insurance doctor under the disciplinary procedure of the health insurance scheme is removal from the medical list, or "panel," as it is colloquially termed. This action may be taken by the Minister of Health if he is satisfied that the doctor's continuance on the panel would be "prejudicial to the efficiency of the medical service of the insured." A case of removal usually originates in a representation made by an insurance committee to the Minister of Health that the continuance of a certain doctor on the panel would be prejudicial to the medical service; and on receiving such a representation the Minister must appoint an inquiry committee, consisting of a lawyer (barrister or solicitor) in actual practice and two doctors. The committee hear the allegations made against the doctor and his reply; the witnesses give evidence on oath, and the parties are legally represented. The committee do not decide the question of removing the doctor from the panel; their business is to report to the Minister, stating the facts that appear to them to be established by the evidence and the inferences of fact which, in their opinion, may properly be drawn from the facts so established. The decision to remove or not to remove a doctor from the panel rests with the Minister, but before deciding he must refer the Inquiry Committee's report to the Advisory Committee mentioned above and must take their recommendations into consideration.

Very few doctors have been removed from the panel. In 1933 there was no case in which the question of removal was raised.

Complaints against insurance pharmacists are dealt with by a similar procedure, the complaints being heard by committees on which pharmacists are represented. There is, however, no advisory committee to deal with cases in which pharmacists are concerned.

It will be noted that in the procedure of the English health insurance scheme for the settlement of grievances the medical profession takes a highly important part. At every stage in the proceedings the medical aspects of the case are adequately brought to the consideration of the authorities responsible for decisions, and the medical members of the various tribunals are nearly all insurance practitioners familiar with the conditions of insurance practice. The procedure was not devised by the Government and imposed on the doctors; it is the result of many conferences between the Government and the accredited representatives of the medical profession. It has been modified from time to time, chiefly by increasing the disciplinary responsibilities of the profession, and after twenty-two years' experience it is generally regarded as an equitable, effective, and satisfactory method of dealing with grievances.

CONTRACT OF THE OUT-OF-STATE COMPANY

Referred to in Letters (see page 316, first column)

AGREEMENT

This Agreement made and entered into this day of, 1935, at Medford, Oregon, by and between Dr. Laboratories, Inc., an Oregon Corporation, herein-after referred to as first party and, city, state, hereinafter referred to as second party,

WITNESSETH:

THAT WHEREAS, first party is engaged in the business of distributing certain pharmaceutical products and in connection therewith intends to appoint and retain a number of consultant physicians, and

WHEREAS, second party is a physician licensed to practice medicine in the state of, and is desirous of being appointed by first party as one of its consultant physicians within the territory where said second party is licensed to practice,

NOW, THEREFORE, in consideration of the promises and the mutual agreements hereinafter contained, it is agreed by and between the parties hereto as follows, to wit:

First: First party herewith retains and appoints second party as its consultant medical advisor within the territory wherein second party is now practicing.

Second: Second party agrees that he will act as consultant and medical advisor to first party within the territory where he is now practicing and will hold himself ready and available to see, examine, consult with and advise patients that may be referred to him by first party upon the specific agreement, however, that payment for such special services shall be made to said second party by the patients themselves, and first party shall not be liable nor responsible therefor. First party, however, shall have the privilege of referring to second party any person making inquiry of first party for medical treatment within the territory wherein second party is now practicing.

Third: Second party agrees to serve first party as its consultant and medical advisor within the prescribed territory and to render said first party such counsel and advice in medical matters as first party shall require of second party and as compensation for such services to second party, first party agrees that out of the gross receipts from the total sales of its products, first party shall cause to be set aside into a special fund for such compensation a sum equal to not more nor less than five per cent (5%) of all moneys obtained through the total sale and distribution of its products. This compensation fund shall be equally and ratably prorated and disbursed to all of the consultant physicians which first party shall appoint, and first party shall have the privilege of limiting the number of consultants to be appointed within its own discretion. Said disbursements to be made semi-annually on January 1 and July 1 of each and every year beginning January 1, 1936.

Fourth: First party herewith acknowledges receipt from second party of the sum of Two Hundred Dollars (\$200) in full payment for listing second party's name as a consultant and advisory physician upon all lists of consultant physicians prepared, published or distributed by first party among the users of its products during the life of this agreement, and first party agrees that all such lists so prepared and distributed among the users of its products shall include the name of second party, until said second party shall request the exclusion of his name from such list. Before distributing such list, the proof shall be submitted to second party for his approval.

Fifth: All communications to first party under this contract shall be addressed to its Home Office at, Oregon.

Sixth: It is agreed that this contract shall be binding upon both parties as long as first party shall remain in business and so long as said second party shall continue the practice of medicine. Should said first party sell or otherwise dispose of said business, the obligations hereunder shall be binding upon and assumed by any successor of first party. In the event of the death of said second party, all benefits accruing to said second party shall pass to his heirs or assigns.

Seventh: No person or agent has any authority to make any representations other than those contained within this agreement, and second party acknowledges and agrees that in executing this agreement he has not relied upon any representations other than those contained within this agreement, and that this is the entire agreement of the parties. This agreement is not binding until received by first party and accepted by it.

In Witness Whereof, said Laboratories, Inc., has caused this Instrument to be executed by its duly authorized officers and the seal of the corporation to be affixed thereto, and second party has affixed his signature thereto the day and year first above written.